

# Amendment: 11

## STATEWIDE REVENUE

Representative STAVRINAKIS proposes the following amendment:

### DELETE

~~118.16. (SR: Farm Aid) There is created the ‘South Carolina Farm Aid Fund’. This fund is separate and distinct from the general fund of the State and all other funds. Earnings on this fund must be credited to it. Revenues credited to this fund in a fiscal year must be used in that fiscal year to operate a grant program that provides financial assistance to farmers.~~

~~To be eligible for a grant, the person must have:~~

~~(1) experienced a verifiable loss of agricultural commodities of at least thirty percent as a result of the flooding occurring in the aftermath of Hurricanes Michael and Florence for which:~~

~~(a) the Governor declared a state of emergency in the State for the county in which the farm is located; and~~

~~(b) the United States Secretary of Agriculture issued a Secretarial Disaster Declaration for the county in which the farm is located;~~

~~(2) a farm number issued by the Farm Service Agency;~~

~~(3) signed an affidavit, under penalty of perjury, certifying that each fact of the loss presented by the person is accurate; and~~

~~(4) a signed affidavit, under penalty of perjury, certifying that no federal funds have been received for these specific disasters, and in the event that federal funds are received, the person will return all state monies received under this program.~~

~~The Department of Agriculture (department) shall administer the grant program authorized by this proviso. The Department of Revenue shall assist the Department of Agriculture in the administration of the grant program by providing auditing services, accounting services, and review and oversight of all financial aspects of the grant program. There is created the Farm Aid Advisory Board to make recommendations to the department regarding the duties of the department in administering the grant program. The Commissioner of Agriculture, or his designee, shall serve ex officio, as chairman of the board. Also, the Director of the Department of Revenue, or his designee, the Vice President for Public Service and Agriculture of Clemson Public Service Activities, or his designee, and the Vice President for Land Grant Services of South Carolina State Public Service Activities, or his designee, shall serve on the board. The following additional members shall be appointed to the board:~~

~~(1) the Commissioner of Agriculture shall appoint one member representing the South Carolina Farm Bureau;~~

~~(2) the Commissioner of Agriculture shall appoint one member representing a farm credit association;~~

~~(3) the Director of the Department of Revenue shall appoint one member representing the crop insurance industry; and~~

~~(4) the Director of the Department of Revenue shall appoint one member who is an agricultural commodities producer.~~

~~By July twentieth of the current fiscal year, the board shall hold its initial meeting to recommend an application process by which a person with a loss resulting from the flooding occurring in the aftermath of~~

~~Hurricanes Michael and Florence may apply for a grant. Upon adoption of an application process, the Department of Agriculture shall provide the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee with a written copy of its application process within ten days after its adoption. A person shall apply not later than forty five days after the adoption of the application process. The department must ensure every person interested in applying for a grant has access to adequate resources to submit his application in a timely manner, and upon request, the department must assist a person with the preparation of his application.~~

~~Each grant awarded by the department may not exceed twenty percent of the person's verifiable loss of agricultural commodities. However, a person, including any grant made to a related person, may not receive grants aggregating more than one hundred thousand dollars. Also, a person, including any grant made to a related person, may not receive grants that when combined with losses covered by insurance, exceed one hundred percent of the actual loss. If a grant is made to a related person, the amount to be included in the limits set by this proviso must be the amount of the grant multiplied by the person's ownership interest in the related person. However, a person who shares an ownership interest with another person or entity may not be refused a grant solely because the other person or related person has otherwise received the maximum grant amount, but in this case, the person's grant amount is limited by the person's ownership interest.~~

~~If the total amount of grants allowed pursuant to this proviso exceeds the monies in the fund, then each person's grant must be reduced proportionately.~~

~~To determine loss, the department:~~

~~(1) must measure the person's cumulative total loss of all affected agricultural commodities for the year in which the flooding occurred against the person's expected production of all agricultural commodities affected by the flooding occurring in the aftermath of Hurricanes Michael and Florence;~~

~~(2) shall use the person's applicable actual production history yield, as determined by the Federal Crop Insurance Corporation, to determine loss for insured agricultural commodities. In determining loss for uninsured agricultural commodities, the department shall use the most recent year's county price and county yield, as applicable, as determined by the National Agriculture Statistics Service, United States Department of Agriculture; and~~

~~(3) may require any documentation or proof it considers necessary to efficiently administer the grant program, including the ownership structure of each entity and the social security numbers of each owner. Minimally, in order to verify loss, the department shall require the submission of dated, signed, and continuous records. These records may include, but are not limited to, commercial receipts, settlement sheets, warehouse ledger sheets, pick records, load summaries, contemporaneous measurements, truck scale tickets, contemporaneous diaries, appraisals, ledgers of income, income statements of deposit slips, cash register tape, invoices for custom harvesting, u pick records, and insurance documents.~~

~~Grant awards must be used for agricultural production expenses and losses due to the flooding which demonstrate an intent to continue the agricultural operation; however, awards may not be used to purchase new equipment. The department shall develop guidelines and procedures to ensure that funds are expended in the manner outlined in grant applications, and may require any documentation it determines necessary to verify the appropriate use of grant awards including receipts.~~

~~If the department determines that a person who received a grant provided inaccurate information, then the person shall refund the entire amount of the grant. If the department determines that a person who received a grant used the funds for ineligible expenses, then the person must refund the amount of the ineligible expenses. If the person does not refund the appropriate amount, the Department of Revenue shall utilize the provisions of the Setoff Debt Collection Act to collect the money from the person.~~

~~The department shall coordinate the exchange of information between the USDA and the Department of Revenue to identify any person that received a Farm Aid grant for the flooding occurring in the aftermath of Hurricanes Michael and Florence and also received federal aid relief for the same disaster. Any person that is determined to have received grant funds from both the state and federal government, must immediately repay the state grant they received.~~

~~If the department determines that a person knowingly provided false information to obtain a grant pursuant to this proviso or knowingly used funds for ineligible expenses, the person shall be subject to prosecution pursuant to Section 16-13-240.~~

~~Within forty five days of the completion of the awarding of grants, but no later than the end of the fiscal year, the Farm Aid Advisory Board is dissolved. Any funds remaining in the fund upon dissolution shall lapse to the general fund.~~

~~The department may accept private funds, grants, and property to be used to make financial awards from the grant program.~~

~~The Department of Agriculture must administer the grant program authorized by this proviso using existing resources and funds.~~

~~If federal funds are allocated for persons that are otherwise eligible for a grant pursuant to this proviso before the current fiscal year begins, then the provisions of this proviso are not effective and no funds may be credited to the South Carolina Farm Aid Fund.~~

~~For purposes of this proviso:~~

~~(1) 'Agricultural commodities' means wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugar beets, sugar cane, tomatoes, grain sorghum, sunflowers, raisins, oranges, sweet corn, dry peas, freezing and canning peas, forage, apples, grapes, potatoes, industrial hemp, timber and forests, nursery crops, citrus, and other fruits and vegetables, nuts, tame hay, native grass, aquacultural species including, but not limited to, any species of finfish, mollusk, crustacean, or other aquatic invertebrate, amphibian, reptile, or aquatic plant propagated or reared in a controlled or selected environment, excluding stored grain;~~

~~(2) 'Person' means any individual, trust, estate, partnership, receiver, association, company, limited liability company, corporation, or other entity or group;~~

~~(3) 'Related person' means any person, joint venture, or entity that has a direct or indirect ownership interest of a person or legal entity; and~~

~~(4) 'Department' means the Department of Agriculture.~~